

# Commonwealth of Massachusetts

Executive Office of Health and  
Human Services



## Chapter 257 of the Acts of 2008

**Provider Information Gathering Session:  
Community Based Flexible Supports**

**May 8, 2013**

[www.mass.gov/hhs/chapter257](http://www.mass.gov/hhs/chapter257)  
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# Agenda



- Meeting Goals
- Chapter 257 of the Acts of 2008
- Community Based Flexible Supports (CBFS) service class definition
  - Timeline of upcoming provider sessions
- CBFS Housing Survey
  - Goals / Guidance
  - Questions
- CBFS Planned Encounter Survey
  - Goals / Guidance
  - Questions



# Community Based Flexible Supports



## Meeting Goals:

- General understanding of the Chapter 257 rate development process and proposed timeline for developing CBFS rates
- Dissemination of and guidance for survey tools that will be critical in the collection of vital information necessary to understand the costs of the CBFS programs



## Chapter 257 of the Acts of 2008 Regulates Pricing for the POS System



- Chapter 257 places authority for determination of Purchase of Service reimbursement rates with the Secretary Of Health and Human Services under MGL 118G. The Center for Health Information and Analysis (CHIA) provides staffing and support for the development of Chapter 257 pricing.
- Chapter 257 requires that the following criteria be considered when setting and reviewing human service reimbursement rates:
  - Reasonable costs incurred by efficiently and economically operated providers
  - Reasonable costs to providers of any existing or new governmental mandate
  - Changes in costs associated with the delivery of services (e.g. inflation)
  - Substantial geographical differences in the costs of service delivery
- Chapter 9 of the Acts of 2011 establishes new deadlines for implementing POS rate regulation as well as requires that related procurements not go forward until after the rate setting process is completed.

	Jan 2012	Jan 2013	Jan 2014
Statutory Requirement: Percent of POS System with Regulated Rates	40%	30%	30%
Spending Base Associated with Statutory Percentage (based on current projection of \$2.278B POS Baseline to be implemented)	~ \$880M	~ \$660M	~ \$660M



# The Cost Analysis and Rate Setting Effort has Several Objectives and Challenges



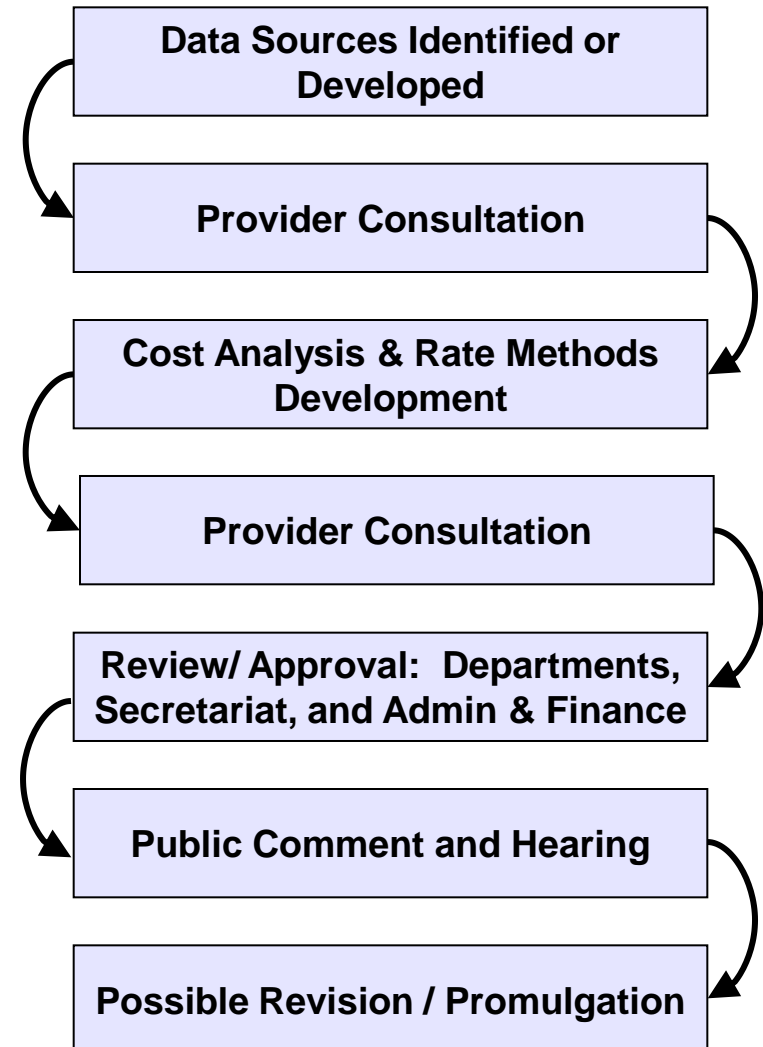
## Objectives and Benefits

- Development of uniform analysis for standard pricing of common services
- Rate setting under Chapter 257 will enable:
  - A. Predictable, reimbursement models that reduce unexplainable variation in rates among comparable, economically operated providers
  - B. Incorporation of inflation adjusted prospective pricing methodologies
  - C. Standard and regulated approach to assessing the impact of new service requirements into reimbursement rates
- Transition from “cost reimbursement” to “unit rate”

## Challenges

- Ambitious implementation timeline
- Data availability and integrity (complete/correct)
- Unexplained historical variation in reimbursement rates resulting from long-term contracts and individual negotiations between purchasers and providers
- Constrained financial resources for implementation, especially where pricing analysis warrants overall increases in reimbursement rates
- Cross system collaboration and communication
- Coordination of procurement with rate development activities

## Pricing Analysis, Rate Development, Approval, and Hearing Process





# Community Based Flexible Supports



## Service Class Definition:

- In-Home Basic Living and Personal Care Supports, Training and Skills Development:** Programs that provide individuals and/or families daily living support and/or basic living skills & training to promote health, safety, community integration, and self-sufficiency to allow individuals to live as independently as possible at the individual's place of residence.
- and
- Adult Intermediate-Term Transitional Residential:** Programs that provide individuals a place of overnight housing in a residential or hospital setting in order to enable and empower the individual to transition to a less restrictive, community-based residential, or own-home setting. Programs provide a variety of supports to promote health, safety, community integration, employment, and self-sufficiency.

**Service Class Background:** DMH has 44 contracts with contract specific rates.

Service Class	Agency	Activity Code	Program Name	Total Spending Slated for Ch. 257 Regulation	Target Rate Adoption	Target Rate Implementation
Adult Intermediate Term Transitional	DMH	3054	CBFS	\$ 133,992,643	Fall 2013	1-Jul-14
In-Home Basic Living and Personal Care Supports, Training and Skills Development	DMH	3054	CBFS	\$ 93,113,531		
Adult Intermediate Term Transitional	DMH	3056	Individual Support	\$ 2,657,713		
In-Home Basic Living and Personal Care Supports, Training and Skills Development	DMH	3056	Individual Support	\$ 6,201,331		



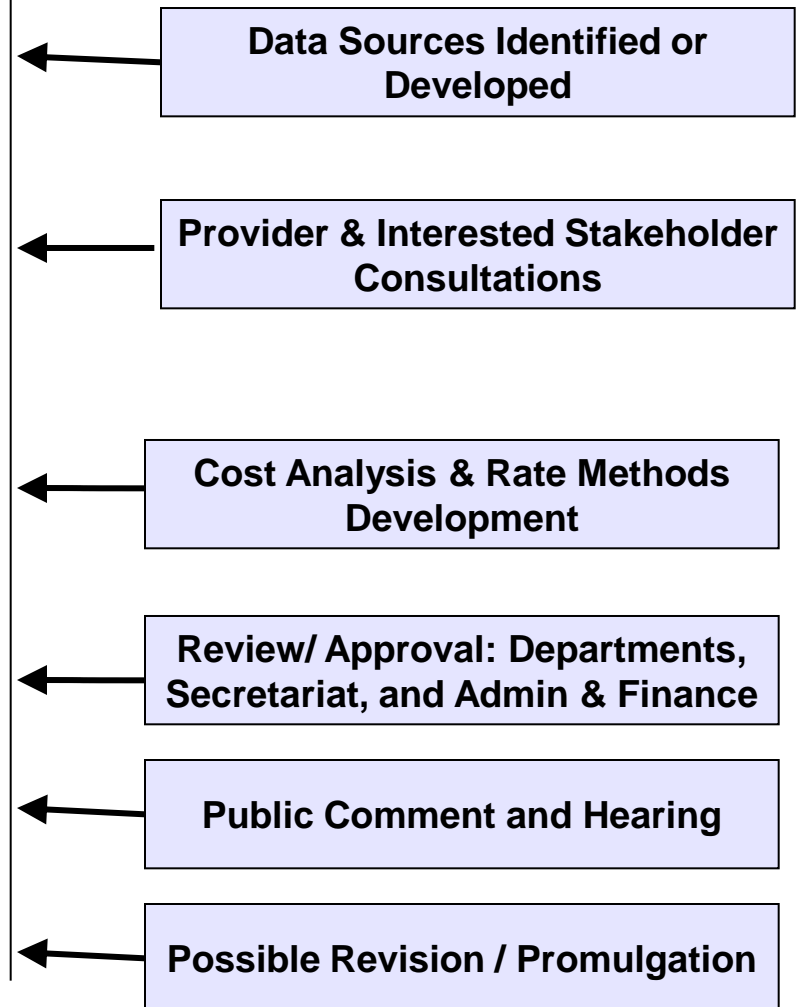
# Community Based Flexible Supports



## Proposed Timeline

- **May 2013**
  - Survey Results
  - Contract Data
- **Summer 2013**
  - Model Development
  - Rate considerations
  - Input and Questions
- **Fall 2013**
  - Incorporating Stakeholder Input
- **October 2013**
  - Rates shared with public
- **November 2013**
- **Winter 2014**

## CBFS Pricing Analysis, Rate Development, Approval, and Hearing Process





# Community Based Flexible Supports: Housing Survey



**PURPOSE: Gather cost information on residential sites that are provided under DMH-purchased CBFS programs.**

- Resources needed to maintain the physical property where CBFS consumers live and CBFS contract dollars are used to support the property
- Staffing resources associated with CBFS will be reviewed via a separate analysis.
- Information will be pre-populated in the accompanying excel spreadsheet for all licensed properties.
  - Do not delete any pre-populated information; leave blank
  - Please add locations to the spreadsheet that we may have missed
  - Answer each question on the survey for each site
- There are two parts to this workbook; Part A and Part B.
- All information will be sent and received by DMH via the Secure File and E-mail Delivery System (SFED).





# Community Based Flexible Supports: Housing Survey – Due May 23, 2013



## **Part A: Licensed group living environments (GLE's)**

- Information will be pre-populated in the accompanying excel spreadsheet for all licensed GLE locations
- No deletions
- Additions within spreadsheet for any sites not pre-populated
- Please also include sites where your agency subcontracts for the residential service

## **Part B: Costs of CBFS clients who live in their own dwelling (i.e., the individuals lease or own the site)**

- Information will be pre-populated. Per Part A: No deletions, additions within spreadsheet for any sites not pre-populated)
- These expenses are paid with CBFS contract funds
- Typically reported on UFR Schedule B Line 30E (Provision of Material Goods/Services/Benefits), but may also be reported within the occupancy line items
- Please indicate which line item on the UFR was used
- These expenses are related to sites that are not included in Part A



# Community Based Flexible Supports: Planned Encounter Survey – Due May 23, 2013



## Purpose and planned use:

- To inform the rate setting process, this survey will be used to gather information about the volume and type of encounters/contacts/activities that are currently planned for CBFS participants as reflected in their Individual Action Plans.

## Guidance

- Review of Planned Encounter Survey Instructions
- Walk through survey example



## CBFS: Next Steps



- Housing and Planned Encounter Surveys
  - DUE – June 14, 2013
  - Send to: [Ashley.M.Montgomery@state.ma.us](mailto:Ashley.M.Montgomery@state.ma.us)
- Provider and Interested Stakeholders input sessions to be held in Summer 2013
  - Posted on Chapter 257 website: [www.mass.gov/hhs/chapter257](http://www.mass.gov/hhs/chapter257)
- Comments and questions regarding Chapter 257 process can be sent to: [EOHHSPOSPolicyOffice@state.ma.us](mailto:EOHHSPOSPolicyOffice@state.ma.us)